

"It works best in sports," said Paul Schulman, president at Schulman/Advanswers NY, a unit of Omnicom in New York that buys commercial time for advertisers. "In entertainment programs, I believe advertisers may be getting a little too excited about it."

"I'm not sure the impression of having a product in a scene," he added, "is as strong as the impression made with a solid 30-second commercial in a program with high attention levels."

Needless to say, Mr. Wilkinson at Princeton Video Image disagrees.

While "it's clearly fair to say the sports applications have caught on faster than the entertainment applications," he said, "the opportunity to place advertisements where without a doubt they have to be noticed" means that it is only a matter of time before virtual advertising becomes widespread in first-run and syndicated series.

"As long as it's done in good taste, as if it's part of the program and doesn't stick out like a sore thumb," he added, "people will accept it, embrace it, because it will pay for the shows."

Virtual ads, however, face some real obstacles, particularly in entertainment programming. One is the vexatious issue of rights, particularly how to reimburse the creators and producers of series if their work is changed. Even though virtual ads represent a new source of revenue for the Hollywood studios that produce TV programming, many describe the rights issue as a drawback that will impede the widespread appearance of virtual ads.

Another obstacle is the difficulty in determining if and when a virtual ad is appropriate.

"If Drew Carey were shown wearing designer clothes," said Ms. Oppenheim, referring to the comedian whose persona as a regular guy forms the basis for his ABC sitcom, "there might be a credibility gap."

And if virtual products were placed in, say, "I Love Lucy," would they need to be in black and white because the series is? And would the products need to look the way they did in the 1950's to prevent viewers from being puzzled?

As a result, several networks have decided against accepting virtual ads for entertainment programs, including ABC, CBS and NBC. At UPN -- the network jointly owned by Chris-Craft Industries and Viacom Inc., which tested virtual product placements in "Seven Days" -- "it's still under review," said Paul McGuire, a spokesman. "There aren't any plans at the moment to do it on another show."

So where might the entertainment breakthrough occur? Perhaps a network will become more open-minded about considering it.

At the Fox Broadcasting Company, owned by the News Corporation, Jeff De Rome, a spokesman, said that "at the moment it's not allowed, because we're purists."

"But we do not rule out all future applications," he added. "We're not Luddites."

And Steven Reddicliffe, editor in chief at TV Guide magazine in New York, owned by TV Guide Inc., said: "People may find it objectionable in a situation comedy or an hourlong drama. But maybe not in a concert, a special, an awards show, if it's subtle and consistent with the content."

"There's a good chance it will come," he added, "and faster than we imagine."

In the end, changing the look of TV may simply come down to changing attitudes among consumers as they become more accepting of -- though still skeptical about -- the commercialization of content.

"If you say to the viewer, 'This detracts from the integrity of advertising,' " said Ms. Oppenheim at FCB, "the viewer is going to say 'Excuse me, there's integrity in advertising?' "

ATTACHMENT #18

The New York Times, March 29, 1999

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The New York Times

March 29, 1999, Monday, Late Edition - Final

SECTION: Section C; Page 11; Column 1; Business/Financial Desk

LENGTH: 1337 words

HEADLINE: THE MEDIA BUSINESS: ADVERTISING;

A video process allows the insertion of brand-name products in TV shows already on film.

BYLINE: By Stuart Elliott

BODY:

ANOTHER frontier is being crossed in the commercialization of culture as digital technology has been used for the first time to "virtually" place products in a prime-time television entertainment program watched by American viewers.

That milestone interpolation of advertisements where they had not been before is being carefully studied by Madison Avenue as part of its never-ending effort to wrap consumers in a cocoon of sponsored images that range from the mentioning of brand-name products in children's textbooks to the renaming of stadiums for huge corporations.

The insinuation of make-believe items into a make-believe story occurred quietly on March 17, when computer-generated electronic images of four products appeared briefly in the backgrounds of scenes on the hour-long UPN series "Seven Days." The product images -- for Coca-Cola, the fashion retailer Kenneth Cole, Evian and the Wells Fargo bank -- were inserted into the episode after it was completed by the producer, Paramount Network Television, through a process developed by Princeton Video Image Inc. that seeks to create images indistinguishable from actual objects.

"The goal is to make them real," said Dennis Wilkinson, president and chief executive at Princeton Video in Lawrenceville, N.J., and "look as if they were there when the show was originally produced."

The Princeton Video technology, which is known as L.-V.I.S. -- pronounced, of course, "Elvis" and standing for live-video insertion system -- has been used extensively during sporting events like football and baseball games to create virtual billboards and logos that can be seen only by viewers. For instance, the Philadelphia Phillies and San Francisco Giants reached agreement last week with Princeton Video to use the technology during telecasts of games during the 1999 season.

And for the last year, Mr. Wilkinson said, Princeton Video has been inserting virtual product placements into episodes of entertainment programs broadcast by the Televisa network in Mexico.

But the episode of "Seven Days," a time-travel drama, may give American consumers a preview of a future where their efforts to avoid advertising by switching channels or muting the sound when commercials come on are thwarted by marketers using sophisticated technological tactics. The virtual product placements, supplementing the actual products that may already be placed in a program, give marketers another chance to expose their logos and packages to viewers.

"It's yet another incursion into the public life by marketers who are dreaming up every possible way to sneak into our consciousness," said Michael Jacobson, executive director in Washington at the Center for Science in the Public Interest, an advocacy organization.

"Product placements, virtual or real, are an optimum way for them to do that," he added, "because they are ads that don't appear to be ads."

Advertisers typically pay fees ranging from a few hundred dollars to tens of thousands for product placements, which have become increasingly prevalent as producers of television series and films seek to mimic reality more closely.

"The goal is to place products in positions where they'd naturally be," Mr. Wilkinson said. "You don't have a blank toothpaste tube or mouthwash bottle in your bathroom. You don't cover up your Coke can."

Mr. Wilkinson has been discussing virtual product placements with television production companies and networks in the United States and Canada after gaining agreement from Televisa, part of the giant Spanish-language television conglomerate Grupo Televisa S.A. owned by Grupo Televisi3n S.A. de C.V.

In Mexico, Mr. Wilkinson said, advertisers are paying \$1,000 for each insertion. But in the "Seven Days" episode, which featured virtual objects like a Wells Fargo sign and an Evian bottle, no fees were paid because the placements were a test. The test was first reported last week by a trade publication, The Hollywood Reporter.

"It was an experiment to gauge viewer reaction, which is still being evaluated," said Paul McGuire, a spokesman in Los Angeles for UPN, owned by Viacom Inc., which also owns Paramount and Chris-Craft Industries. "It was basically a trial balloon."

Some executives at media services agencies who decide whether to buy commercial time on TV shows are hoping to burst the balloon.

"I'm big on exploitation," said Gene DeWitt, chairman at DeWitt Media in New York, "but not to the point where it's self-defeating."

Virtual product placement is "just another way to clutter up the screen and distract people from the programming," he added. "The quality of the viewing experience is something we glom onto. It's not good for us if the people who want to watch the programs are alienated."

Aaron Cohen, executive vice president for broadcast at Horizon Media in New York, offered a similar assessment.

"I'm not in love with the idea," Mr. Cohen said, because on one hand "it runs the risk of being obtrusive" and on the other hand if the virtual image is "there for only a couple of seconds so it doesn't smack viewers in the face, the question is whether the advertiser has gotten any real value."

Mr. Cohen raised another objection: A product that is placed virtually "can't be used" by an actor the way a real one can, he said, "it can only sit there."

Other media executives are endorsing the concept cautiously.

"I would just hope the networks will be very careful with this and don't allow it to become a runaway train," said John Muszynski, chief broadcast investment officer at Starcom Media Services, the media unit of the Leo Burnett Company in Chicago.

"I would consider it," he added, "but it depends on the specific situation."

Robert Igiel, executive vice president and United States broadcast director at the Media Edge in New York, part of Young & Rubicam Inc., described the process as "an interesting new device to enhance the value of television" as an advertising medium.

"Heaven knows," he added, in an era of "fractionalization and remote controls, television can use all the help it can get" in that regard.

"We've used it with football and it seemed fine to me," Mr. Igiel said, "not particularly intrusive. But if you're watching someone walk down a hall full of products, I'm not sure it would be particularly attractive."

"And there's the danger of a product in an inappropriate place," he added, "like a car in a bedroom."

Will advertisers have additional opportunities to determine if virtual product placements will become as commonplace on the sets of sitcoms as they are on the gridiron? The trend may be accelerated by the growth of co-production deals, which make decisions on artistic and commercial issues like product placement easier because there are ties between producers and networks.

Mr. Wilkinson said that Princeton Video was working on or discussing additional virtual product placements with a broadcast network and syndicators of two sitcoms that he declined to identify.

Television networks and production companies offer mixed responses to the prospect.

ABC, a unit of the Walt Disney Company that has stringent product-placement policies, is "not doing this," said Susan Sewell, a spokeswoman in New York. CBS in New York declined to comment, but that network is deemed unlikely to inject virtual products into prime-time programs.

"It's a very interesting idea," said Ed Lammi, executive vice president for production at Columbia Tristar Television in Culver City, Calif., a unit of the Sony Corporation, "but no one has approached us directly."

And Paramount, the pioneer, is already looking beyond commercial uses.

"Although the L.-V.I.S. technology can be used for product placement," said Trisha Cardoso, a spokeswoman in Los Angeles for Paramount, "we believe this same technology may have a multitude of uses and value for production," providing "an opportunity to creatively insert high-end special effects and a variety of background locations for a real low cost."

ATTACHMENT #19

The New York Times, January 12, 2000

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The New York Times

January 12, 2000, Wednesday, Late Edition - Final

SECTION: Section A; Page 1; Column 2; Business/Financial Desk

LENGTH: 851 words

HEADLINE: On CBS News, Some of What You See Isn't There

BYLINE: By ALEX KUCZYNSKI

BODY:

If you were watching the "CBS Evening News" broadcast live from Times Square on New Year's Eve, you might have seen a billboard advertising CBS News out in the square behind Dan Rather. You might have looked at the well-placed billboard and wondered just exactly how it was that CBS was able to place its ad so fortuitously.

The truth is, it didn't. The billboard and the advertisement for CBS did not exist. The image was digitally imported onto the live CBS broadcast and used to obliterate real objects, the NBC Astrovision underneath the New Year's ball and a Budweiser ad.

Inserting digital images has become increasingly common in sports and entertainment programming -- usually to insert advertising and corporate logos and first down markers in football -- but has generally been considered out of line on news shows, a type of programming in which the assumption of reality is considered sacrosanct and not informing viewers is considered a breach of journalistic guidelines. CBS contends such practices do not cross ethical boundaries.

CBS News is using the technology as part of a broad agreement the network signed last year with a technology company, Princeton Video Image, to provide branding services for a variety of CBS programs. The technology has been used regularly on "The Early Show" and the news magazine "48 Hours" and was used on the Evening News on Dec. 30 and 31, according to CBS news executives.

"The Early Show" has been using it almost every day since the show's debut on Nov. 1. News show logos that appear real are being inserted on the sides of structures, like the General Motors building, on the back of a horse-drawn carriage in Central Park, in the fountain outside the Plaza Hotel and, yesterday, in the center of Wollman Rink.

In some instances, the logo clearly resembles a large billboard advertising CBS News.

"We were looking for some way to brand the neighborhood with the CBS logo," said Steve Friedman, the executive producer of "The Early Show" who is entrusted with bringing the program, in which CBS invested at least \$30 million, up in the ratings from its current No. 3 spot. "It's a great way to do things without ruining the neighborhood. Every day we have a different way of using it, whether it's logos or outlines. And we haven't even scratched the surface of its uses yet."

Mr. Friedman said that the practice did not press the boundaries of ethical guidelines for CBS News.

"It does not distort the content of the news," he said, and compared the use of the technology with earlier visual innovations. "I remember the hue and cry when people started to use graphics on news."

The CBS News deal with Princeton Video Image was reported in the Jan. 3 issue of the trade magazine *Broadcasting & Cable*.

Eric Shapiro, the director of the "CBS Evening News" and CBS News Special Events, said he might use the technology again on "Evening News" and that the news division examines each case individually before putting the virtual logos on the air. "The technique, I find, works best if you put it someplace where there is intended to be something," he said. "If it feels that it is not correct to use it, then we obviously won't use it."

Mr. Rather, he said, knew about the use of the virtual technology during the broadcast and did not protest the practice.

"But he did not know in advance," Mr. Shapiro said. "These are not things he needs to worry about. He spends most of his time worrying about the content of the broadcast. But as a production technique he was most certainly aware that it was happening around him."

Mr. Rather did not return a phone call seeking comment last night. Bryant Gumbel and Jane Clayson, anchors of "The Early Show," could not be reached for comment.

Harry Jessell, the editor of *Broadcasting & Cable* magazine, said the practice alarmed him.

"I think it does raise some ethical questions for CBS," he said. "You would think that a TV news organization would not tamper with video, especially live video. Viewers should be able to rely on the fact that what they are seeing is actually there."

Network news has flirted with similar technological issues once before. In 1994, the use of a fake backdrop caused an outcry in 1994 when the ABC journalist Cokie Roberts appeared in front of a picture of Capitol Hill. Peter Jennings, the ABC News anchor, introduced a report from Ms. Roberts, and said that she was reporting from Capitol Hill; Ms. Roberts, wearing a coat, appeared in front of what looked like the Capitol. But without the knowledge of network viewers

or even Mr. Jennings, Ms. Roberts was actually inside the ABC News Washington bureau with a photographic image of the Capitol projected behind her. Ms. Roberts and Rick Kaplan, then the executive producer of "World News Tonight" and now the president of CNN, were both reprimanded and the network apologized on the air.

Spokesmen for NBC, ABC and Fox said their news units did not use such digital technology on news broadcasts. Christa Robinson, a spokeswoman for CNN, said she knew of no instance of the technology's use.

ATTACHMENT #20

The Arkansas Democrat-Gazette, August 12, 2003, Tuesday

Copyright 2003 Little Rock Newspapers, Inc.
Arkansas Democrat-Gazette (Little Rock, AR)

August 12, 2003, Tuesday

SECTION: STYLE; Pg. 29

LENGTH: 786 words

HEADLINE: ON TV: The Restaurant portions out advertisers' favorite entrees

BYLINE: Celia STOREY

BODY:

There's nothing especially new-looking about The Restaurant, and that's what makes it revolutionary.

With Survivor producer Mark Burnett's name in the credits and a horde of easily classified nobodies on the screen, the shortrun drama built around the opening of a Manhattan eatery looks like yet another item on the "reality" menu.

Now serving: contests, makeovers, dating shows and this thing, the drama-at-work. All of these shows are cheap to produce, and all of them are fly-specked with product placements to bring in more money for the network. Right?

Not totally. The Restaurant is more than speckled with product placement. The place itself is a product.

Wary viewers will have noticed that American Express sponsors The Restaurant. The opening credits include a flash of its card; its ads bedizen every break; and chef Rocco DiSpirito keeps mentioning how he's using the American Express support program for small-business owners, Open.

But it takes more than sharp eyes to notice that Coors and Mitsubishi are also major sponsors. And that's not all. Rocco's is a working restaurant. Everything that happens on the air extends that restaurant's name recognition - even unsavory things like a worker's broken elbow or an inspector's concern about "rodent access."

But here's the big thing: Its sponsors have paid every bit of the production cost of the show. The only expense NBC incurs to put The Restaurant on the air is barter: It gives up one-half of the commercial break time during the hour, plus whatever house ads are worth.

This is not the first time such an infomercial-ish program has appeared on a big broadcaster during prime time, but chances are good it's the first time most viewers haven't noticed. The unscripted drama's ratings are growing, and it's placing in the top 11 most-watched TV shows. Is that so wrong?

At the Television Critics Association's press tour last month, I talked to another of The Restaurant's producers, Robert Riesenbergh, the head of Magna Global Entertainment. This firm specializes in product placements. It has also developed some fine TV shows, proving that

advertiser involvement doesn't necessarily create schlock.

If you admired Door to Door on TNT last season (and critics and Emmy nominators did) that was a \$ 5 million or so Johnson & Johnson collaboration with TNT brokered by Magna Global. The next Johnson & Johnson movie for TNT will be about "a child who finds a Honus Wagner card and is transported back in time," Riesenbergsaid. "J&J is going to do a major promotion behind that. It's going to extend into the stores."

See, the advertisers don't only get product placements; they also get to use the show's elements in their own marketing campaigns.

Magna works "in every genre except sitcoms," Riesenbergsaid. "We did a limited dramatic series called Young Americans which was on The WB. It was funded by Coca-Cola. We did another reality show on NBC called Lost, which was funded by multiple clients. We're producing something right now in Houston called House Rules, which is funded by Lowe's Home Improvement Centers."

He sees his company pushing commercial creativity to new heights for the benefit of companies large enough to afford the new ad form.

"I know that the press - and it's more than the press, everybody harps on the fact that we're sort of intruding into the show," he said. "You have to realize that if the viewing public perceives it that way, then we're [ruined]. We've done the wrong thing for our advertisers; we've done the wrong thing for ourselves."

"I'll give you an example. When we did Young Americans there was a scene where there was a sort of romance going on between the male lead character and the female lead character. And in the midst of them talking about how they were falling in love, I think the guy said to the girl, 'Would you pass me a Coke?'

"It was just so inappropriate we had them re-cut it. Unfortunately that version went out to the press, and we got nailed for it. But in the end it never aired."

"So we would never allow that sort of thing. It's just not in our best interest."

To succeed, "advertainment" like The Restaurantneeds to hide in plain sight.

Will the success of The Restaurant start a trend? This just in from the Fort Worth Star-Telegram : A&E and Southwest Airlines have announced plans for a 10-part behind-the-scenes series about the Dallas-based airline's employees and customers, to be taped in Los Angeles by Granada PLC's U.S. division. Airlinewould take to the air during the first quarter of 2004. On TV appears Sunday, Tuesday and Thursday.

ATTACHMENT #21

The Denver Post, July 27, 2003 Sunday

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The Denver Post

July 27, 2003 Sunday FINAL EDITION

SECTION: A SECTION; Pg. F-02

LENGTH: 603 words

HEADLINE: Coors tap flows freely on TV show

BYLINE: Bill Husted

BODY:

NBC's new reality show 'The Restaurant' has its second outing tonight - so it's time to get out the Coors. Might as well, everyone on the show does.

Coors has entered into a product placement with the show (along with American Express and Mitsubishi), so the Colorado suds pop up every time you say 'Waiter!' Sure, we're accustomed to product placement (see them drink Budweiser in 'Seabiscuit'), but there is so much of it in 'The Restaurant' it has the feel of an infomercial.

In the first show, chef/owner Rocco DiSpirito orders beer - make that Coors beer, in a command reportedly dubbed in after filming. 'Kimberly, do not come back without Coors beer for all these people,' he says.

DiSpirito was on 'Leno' Tuesday night and even mentioned Coors in his interview.

I both dread and look forward to the remaining shows. I dread more antics like the waiter drinking the contents of a spit bucket. I look forward to an appearance of the Coors' Twins in the third episode.

Now that's product placement.

Choke hold

Don Hicks, owner of Aurora's Shortline car dealerships, saved a big guy's life in Washington, D.C., Monday night.

He was in Capitol City for a meeting of dealer bigwigs and out to dinner at a Ray's - The Steaks. A guy at a nearby table was turning blue with a chuck of steak in his windpipe, and the waitress was making no progress hugging him. Hicks came to the rescue with the Heimlich. Then he

sold him a car (just kidding).

'I didn't even think about it,' says Hicks. 'I hopped up, hauled him out of his chair and gave him the maneuver.'

About three years ago, Hicks performed the Heimlich on his niece at Outback Steakhouse in Aurora. He's a good guy to have around when you're chewing.

Mister Mayor

The flick 'Mayor of Sunset Strip' should be coming to the Denver International Film Festival this fall. It's a new documentary by George Hickenlooper, cousin of Mayor John Hickenlooper. Get it? Mayor Hickenlooper presents 'Mayor' movie by Hickenlooper.

'George is a frequent guest of the festival,' says DIFF's Britta Erickson. 'So the film's been invited. It's just too much fun to ignore.'

Erickson ran into Hick at Dixons the other day and told him about the flick. Said Hizzoner about cousin George, 'Hopefully he'll live up to his promise of making a movie here one day.'

Hunter on Kobe

Woody Creek's Hunter S. Thompson weighs in on the Kobe Bryant case on ESPN.com. Thompson, like Bryant, is just back from surgery at Steadman Hawkins Clinic in Vail.

'The more I learn about this case, the more I understand that this is not about Rape at all,' Thompson writes. 'It is all about money, pure money and nothing else. Nobody is going to jail in this case, but some people are going to Pay.'

'The downward spiral of Dumbness in America is about to hit a new low. You thought O.J. was bad? Wait until we get a taste of the K.B. scandal. It will be like a feeding frenzy and a long parade of cannibals.'

City spirit

Boulder's Sally Taylor, singing daughter of James Taylor and Carly Simon, featured at 7 tonight on Bravo's 'Singing in the Shadows: Children of Rock Royalty' a Denver based storm chaser Tim Samaras on 'Inside the Tornado' on MSNBC at 7 tonight a Sez who: 'No man is lonely while eating spaghetti.' Robert Morley

ATTACHMENT #22

The New York Times, January 23, 2003

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The New York Times

January 23, 2003, Thursday, Late Edition - Final

SECTION: Section E; Page 1; Column 1; The Arts/Cultural Desk

LENGTH: 1148 words

HEADLINE: THE TV WATCH;
Here's Reality: 'Idol' Feeds Hopefuls to a Shaky Music Business

BYLINE: By ALESSANDRA STANLEY

BODY:

There is a macabre appeal to "American Idol," hovering over its screechy auditions and tearful backstage tableaux. Amid all the dirges about the collapse of the music business comes the second round of "Idol," a digital age talent contest that is as frothily distracting and oblivious as a 1933 Busby Berkeley musical.

"American Idol," promises to discover the next pop star, a new Jennifer Lopez, Britney Spears or even Kelly Clarkson, the first "American Idol" winner, whose initial single rose to No. 1.

For Fox television, which reached a personal best with 26 million viewers for the show on Tuesday night, the formula is manna from heaven. For the record industry, the rewards are more bittersweet. "American Idol" recruits new musicians at a time when even the major recording companies are increasingly powerless to find and promote their own.

In the six months since the first "American Idol" began, the music industry has skidded further. One of its most powerful figures, Thomas D. Mottola, the chairman and chief executive of Sony Music Entertainment, was pushed out and replaced with Andrew Lack, an NBC executive with no background in the music business. Recording sales continue to plummet. And like a digital age Hydra monster, the Internet keeps growing new file-sharing heads; no sooner was Napster nipped, than up popped its most popular successor, KaZaA. The February issue of Wired magazine is devoted, rather gleefully, to what it predicts as the demise of the record industry; the cover shows a picture of the Hindenburg in flames.

And yet three million more viewers tuned in to watch Tuesday's premier than watched the final showdown of last summer's version of "Idol." It was the highest rated nonsports event in Fox's history, and the second-highest-rated reality show, topped only by key episodes of CBS's "Survivor."

Some of its appeal is its well-honed theatrics. One of the show's judges, Simon Cowell, the British record producer who dominated the first "American Idol" with his callous assessments (ghastly is one of his kinder words) has vowed to be even less reticent this time on around.

The show is also deliciously atavistic: "42nd Street" with a hip-hop beat. Seventy thousand eager young unknowns lined up with sleeping bags to audition in cities like Miami, Detroit and Austin, Tex., with golly-let's-put-on-a-show gumption (and multiple piercings). Contestants were screened by a first panel of producers, who slipped in a few freakishly untalented performers to feed to Mr. Cowell's withering on-camera scorn. When the contenders are whittled down to 32; the audience will vote on their fate.

The song selections may be mostly limited to pop and Motown standards (the judges were delighted but also astonished when one young woman sang the 1950's Peggy Lee hit "Fever," warning her she would never fit contemporary tastes), but the overall mood is Depression-era dizziness. The singer-dancer Paula Abdul provides kindly, batty encouragement, like a latter day Billie Burke, while Mr. Cowell reprises his role as a sneering Clifton Webb. When a contestant hit a wrong note and blurted out, "Sorry about that," Mr. Cowell retorted, "My thoughts exactly."

Backstage cameras allow viewers to empathize with rejected contestants, some of whom call their parents by cellphone or weep in one another's arms. On Tuesday one teenager from El Dorado, Kan., decked out in a baggy, bright-yellow suit, complained that he had no friends and family with him, and let a tear trickle down his face as he explained he had no way to get home from the audition in Austin.

As it did last summer, the advertising signaled the future of commercial television, mixing regular messages with promotional material tucked into the show, a practice known as "product integration." One contestant, after making it to the next round, raced out of his audition because his wife was about to deliver their first child in a hospital two hours away. A camera followed and recorded him as he cradled the newborn baby in his disposable hospital gown, a touching scene packaged, somewhat incongruously, as a "Coca-Cola moment." Surely one of the few things that do not go better with Coke is an epidural.

Alternately touching or amusing, exhilarating or addictively annoying, the one thing "American Idol," never does is reflect the realities of the music industry. At least not directly. One of the most revealing moments was tucked into a half-hour "Where Are They Now?" special that followed Tuesday's debut. Ms. Clarkson and her runner-up, Justin Guarini, who are finishing a movie musical, "From Justin to Kelly: The Rise of Two American Idols," and eight other finalists trotted out to deliver testimonials on how "American Idol" had changed their lives for the better. The show had the feel of a late night infomercial for bodybuilding equipment.

"The doors opened to Ryan by 'American Idol' proved to be much more than just business," a sonorous announcer said about Ryan Starr, a dark-haired, bare-midriffed finalist. Ms. Starr said tremulously, "At first my family, unfortunately, didn't really support me," before explaining that the relatives rallied after her first appearance on the show last summer. "The best thing about American Idol is that it changed my life at home."

The treacly sentiment clashes with the Fox entertainment ethos, which blends sentiment and cynicism on almost every show, from "Joe Millionaire" to a forthcoming one-hour special about brides gone berserk, "Bridezillas." But the boosterism does reflect the hypersensitivity of record producers to any suggestion of exploitation.

The show painstakingly explains that the reason Ms. Clarkson's first album, scheduled to appear in November, was delayed until April, after a new "American Idol" is selected, is her busy concert and film schedule.

The defensiveness is striking because so far there has been very little public criticism of the deal offered by the show's producers: the winner is given a recording contract with BMG and a management contract with 19 Entertainment, the music company that first dreamed up a British version of the show, "Pop Idol."

The much-vaunted reward, described as a package worth more than \$1 million, is not a cash prize. Most of the money goes to cover production and promotion costs for an album. The contracts are no worse than those offered most newly signed artists, industry analysts said, but they carry far less risk for the record companies. With 26 million viewers watching the show, the costs of promoting the artists are already largely covered.

"But even if the kids don't get much of the money, they get their foot in the door and a chance to be on TV," Donald S. Engel, an entertainment lawyer in Los Angeles, said. "Of course, that doesn't seem to be so difficult to do these days."

ATTACHMENT #23

Toronto Star May 23, 2003 Friday

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Toronto Star

May 23, 2003 Friday Ontario Edition

SECTION: ENTERTAINMENT; Pg. C10

LENGTH: 666 words

HEADLINE: Ruben's big night on Idol plays small

BYLINE: Vinay Menon Television, Toronto Star

BODY:

"I feel great. Thank y'all. I love y'all."

After uttering those not-so-memorable words, Ruben Studdard stared ahead, almost blankly, as rivulets of sweat dribbled down his ample forehead.

Inside L.A.'s Universal Amphitheater, as hot lights illuminated his stunned face, giddy fans hollered and clapped, chanting, "Ru-ben! Ru-ben! Ru-ben!" a two-syllable hallelujah to pop culture's newest demigod.

The big man with the big voice was the big winner as one of television's biggest hits capped another big season.

Too bad it seemed so small.

In what may have been the highest-rated infomercial in television history, American Idol closed out with plenty of gimmicks, filler and artificial hype. But not much in the way of compelling viewing.

Building a live, two-hour broadcast around a two-second announcement is never wise. But this week's finale even managed to out-do last year's Kelly versus Justin showdown in terms of yawn-inducing dreck.

There were flashbacks and lowlights, including a retrospective montage of the tone-deaf warblers who were previously eliminated. There were painfully lame product placements masquerading as faux music videos. There were lots of commercials. There were cheesy sketches involving the judges.

But it was about as entertaining as a trip to a Chernobyl grocery store. And maybe more toxic.

The problem, of course, is that about halfway through last season's debut, as American Idol morphed organically into a cultural phenomenon, the show ceased to be a grassroots talent competition and instead tumbled into the abyss of commercial excess.

Now wait a minute, say defenders. The fact that Ruben - a 350-pound, perspiration-challenged, fashion disaster from Birmingham - won proves that image doesn't matter.

No, it proves that winning doesn't matter.

Just before the winner was announced, as Ruben stood nervously beside Clay Aiken, the other semi-finalist, judge Simon Cowell made a telling remark.

"The big battle is coming," he said. "We are going to put their records out the same week. That's going to be the big challenge."

Translation: This finale, in which more than 24 million votes were cast, is just an opportunistic exercise in pre-marketing publicity. (The reality is that both Clay and Ruben already have record deals.)

So, despite all the torqued suspense, the ending was inconsequential. Though, give host Ryan Seacrest points for trying to elevate the proceedings, especially his attempt to mimic the anticipation of a presidential election.

As the finale dragged on, we learned that Clay had won New York, Ruben had taken Alabama. Clay captured Ohio, Ruben dominated Florida. (Florida? Maybe Clay should ask for a recount.)

But I digress.

American Idol, it turns out, is plastic spectacle at its most spectacular. It's a show that pretends to be in search of one idol but is really more interested in stoking the cultural embers of mass idolization.

Kelly Clarkson, the 20-year-old Texan who won the first series, is now a household name. Her first album, appropriately titled Thankful, has already sold more than one million copies since it debuted at No. 1 about a month ago.

But don't be fooled. This success says less about Clarkson's talent and more about how celebrity is carefully manufactured these days. (Did you notice how uninspired and flat she sounded Wednesday night when she sang "Miss Independent?")

Perhaps this is why the show is such a favourite with other celebrities. During Wednesday's finale, there were many familiar faces in the crowd, including, Olivia Newton-John, Neil Sedaka, Sugar Ray Leonard, and Michael Chiklis. Comments even arrived from Wanda Sykes, Regis Philbin and, goodness, Quentin Tarantino.

No other "reality" program now showcases America's fixation with fame and celebrity and wealth to the same extent.

"Life is an audition," remarked Paula Abdul, the sickly sweet, Pollyanna judge.

No, Paula, life is a commercial.

ATTACHMENT #24

Winnipeg Sun (Manitoba, Canada) May 21, 2003 Wednesday Final Edition

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Winnipeg Sun (Manitoba, Canada)

May 21, 2003 Wednesday Final Edition

SECTION: ENTERTAINMENT; Pg. 19

LENGTH: 449 words

HEADLINE: FACING THE MUSIC;
AMERICAN IDOL WRAPS UP WITH TWO-HOUR FINALE

BYLINE: BY BILL BRIOUX

BODY:

Will it be Ruben or Clay?

That's the million-dollar question heading into tonight's two-hour finale of American Idol on CTV Ch. 5 and Fox Ch. 28 at 7 p.m.

This week, the producers have crammed 10 minutes of entertainment into a final four-hour Idolpalooza of promotion and self-aggrandizement. Just remember to remain seated for the umpteenth-airing of that hokey Proud to be an American anthem. Last night, amid the hoopla, we heard the final performances from Ruben Studdard and Clay Aiken. Fans have already fallen into two camps: Clay Nation and Ruben's World. Internet oddsmakers predicted it would come down to these two from the beginning. BetWWTS.com and Intertops.com have Studdard as the slight favourite, although Aiken gets four times the Web search traffic according to USA Today.

The two singers sailed through the final rounds with only Studdard dipping into the bottom three, and just on one occasion.

Of the judges, Paula Abdul seems to be pulling for Clay. Randy Jackson is solidly behind some guy named "Dawg." Snippy Simon Cowell says Clay will win (even though he dismisses him as "too Broadway") but he'd vote for Ruben.

So does superfan Debra Wilson, the comic who has been in on the Idol spoofs on Mad TV. Wilson sat in the studio audience "crying like a mammy" last season when Kelly Clarkson won. She thinks Clay's "clean white boy image" will sway enough teenyboppers to win. Not that it really matters, says Wilson. "The audience is savvy enough to know that both will walk away with major careers," she says.

A triumph of marketing over talent, American Idol may be the world's most expensive

infomercial. Besides the endless product placement spots, host Ryan Seacrest is constantly pitching and plugging everything from the Idol summer tour to spinoff albums from Idol One power couple Clarkson and Justin Guarini. Look for another ad or seven for their little beach movie, From Justin to Kelly, opening just in time for school break.

Tonight, the shillfest will be set on stun. Fox has already mailed out press kits promoting American Juniors, a talent search for kids aged 6-13 launching June 3. The top five song brats will form a group that may some day rank right up there with the Defranco Family.

The wall-to-wall Fox hype will be doubled in this country with chirpy CTV promos for Canadian Idol (starting June 11). It all plays like Entertainment Tonight on speed to my ears, but what do I know? The ratings are higher than the first series, topping 2.7 million in Canada and over 25 million last week in the U.S.

Will Wilson be watching? That would be yes. "I'm hooked to it like a crack baby," she says, "even though I know it's BS."

ATTACHMENT #25

Advertising Age June 9, 2003, Monday

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Advertising Age

June 9, 2003, Monday

SECTION: Pg. S8

LENGTH: 700 words

HEADLINE: Placements push to front; Wide range of advertisers play more sophisticated product game on cable

BYLINE: JANET STILSON

BODY:

It's hard to find a cable channel that doesn't see major sex appeal in the revenue stream that can pour in when branded goods and services are showcased in programming.

The ways the networks are embedding advertiser products are as varied as the wide range of program genres offered on cable. Even smaller networks are finding multiple ways as they become more skilled in balancing advertiser and viewer interests.

Game Show Network has come up with a "four-pronged" strategy for advertisers, says Michael Sakin, senior VP-sales for the channel, co-owned by Sony Pictures Entertainment and Liberty Media Corp. The oldest tactic is to use products as game show prizes. The newest is to create shows that will never see the light of day unless an advertiser is interested. That "only if" approach is unusual among cable networks. And GSN is just starting to proposition clients with the concept at the same time it pitches shows that will emerge regardless of what integrated product placement deals may come.

Among that latter type is its "Cram" game, which found a variety of ways to showcase General Motors Corp.'s Saturn Ion—for example, asking contestants to decipher answers blinked in Morse Code by an Ion's headlights.

Yet another opportunity at GSN is so-called "live billboards," in which a game show host highlights a certain product in a 15-second segment of the show. "We allow them to poke fun at the product, and be a little sarcastic and funny," says Mr. Sakin, who adds that the quips are pre-approved by the advertisers.

Integrated product placement deals, which can attract seven-figure revenue rewards even at Game Show Network, are all the more important to solo operators like GSN that are not part of far-flung Viacom-munities of cable channels. Placement deals help these cable outlets compete

with more established channels for ad dollars.

STILL HAVE :30S AVAILABLE

What's more, the product placements don't eat into 30-second spot avails, notes George Ehinger, senior VP-advertising sales and strategic relationships at another narrowly focused service, Vulcan's TechTV. Among that network's product placement arrangements is a weekly "LAN Party" segment of "The Screen Savers" series; nVidia Corp. supplies the hardware and network interactivity that allow viewers to play games against the studio host.

Much larger networks are offering a spectrum of opportunities as well. Among the more creative was Walt Disney Co.-owned ESPN's TV movie "Junction Boys," which debuted last December and tells the story of Texas A&M's football team in 1954. The network used vintage bottles of Cadbury Schweppes' Dr Pepper and classic GM cars to enhance the story line.

News Corp.'s Fox Cable Network Group is also extremely prolific with product placement deals. For example, its FX channel inked a deal with Anheuser-Busch's Budweiser that involved a completely commercial-free telecast of the movie "Deuce Bigelow: Male Gigolo"-except for an original 7-minute short film titled "Budweiser Best Man," which ran in the middle of the "Deuce" flick. Rival Coors Brewing Co.'s Coors Light was integrated in three different ways in the final three episodes of FX's new series "Lucky," including one episode featuring the Coors Light Twins who have appeared in the brew's advertising.

Barry Schwartz, the Fox group's senior VP-integrated sales and marketing, says about 10 programs on networks in the group include product placement. But "next year, we'll probably do 20, and I could be conservative with that number."

In fact, almost every channel contacted for this article says product placement is on the rise.

Melissa Alcruz, VP-trade marketing at Universal Television Networks' USA Network, says smaller advertisers are starting to get into the act. USA has struck a number of product placement deals, including some for high-profile series "Monk" and "The Dead Zone."

Ms. Alcruz sees a growing cleverness in the ways product placement is used by marketers. "A few years ago, people were saying, 'I just need my product there on the set.' But now they realize it needs to be integral and make sense for the show."

ATTACHMENT #26

New York Observer May 19, 2003

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New York Observer

May 19, 2003

SECTION: THE FRONT PAGE; Front Page 3, Pg. 1

LENGTH: 2445 words

HEADLINE: At CBS, Les Is More

BYLINE: Jason Gay

BODY:

On the afternoon of Wednesday, May 14, Leslie Moonves, the swaggering chairman and chief executive of CBS, will strut out onto the stage at Carnegie Hall, dressed in an impeccably tailored suit, to oversee the network's presentation of its upcoming fall schedule to more than 2,800 assorted advertisers, media buyers, agents, executives, Hollywood suck-ups and skinny-limbed actors.

If you're there, look for something: Before Mr. Moonves begins, before he cracks the self-deprecating jokes penned with the help of people like *Everybody Loves Raymond* creator Phil Rosenthal, before he unveils the new *Survivor* and unmask the new hits -- *CSI: Hoboken?* -- he'll pause on the Carnegie stage for a second or two, take in that rocking *apres-two-cocktail-lunch* applause, puff out that executive chest of his and noticeably, if briefly, bask.

And yes, it's kind of a silly, self-congratulatory El Presidente basking moment, the kind that a gregarious tough-guy executive like Mr. Moonves, 53, is sometimes ridiculed for.

But it's also a hoot. This is show business, and Mr. Moonves, more than anyone else these days, is a show businessman.

He's earned the right to bask. The hard-nosed, indefatigable ex-actor, ex -- studio chief (Warner Brothers television) has done a Lazarus act upon CBS, resuscitating it from cobwebbed irrelevance and reasserting its dominance through a combination of classically mainstream hits (*Everybody Loves Raymond*) and not-your-papa's-CBS sensations like *Survivor* and *CSI*. CBS expects to finish the year with the most total viewers in broadcast television, and only slightly behind NBC in the 18-to-49 year-old demographic, the demo that advertisers covet, for a number of pseudo-scientific reasons they themselves have trouble explaining.

Along the way, Mr. Moonves has also revived the faded concept of the single-headed entertainment empire. CBS is not a one-man show, but in a hyper-bureaucratic era it is an anti-

bureaucracy; all roads lead to Les. He's involved in entertainment, news, sports; he even signs off on the casting selections for each program (actors never die; they just become casting agents). For better and for worse, he's become indistinguishable from his network, and his network has become indistinguishable from him.

"It sort of harkens back to the studio system that the town enjoyed years and years ago on a creative basis," said Mr. Moonves' longtime friend, the producer Brad Grey. "And the results have been self-evident."

Naturally, Mr. Moonves' high profile and tough-guy tactics have also made him an awfully big target. He been razzed by David Letterman on CBS's own air, though that's died down in the past couple of years. Lately Howard Stern, who's upset that CBS recently entered into an agreement with a producer he believes stole one of his ideas, has been savaging Mr. Moonves about his personal life on the air. (Mr. Moonves' wife, Nancy, recently filed for divorce.) It's fair to say that none of Mr. Moonves' colleagues at NBC, ABC or Fox endure the same kind of abuse.

Of course, the attacks are also a perverse kind of testament to where he's gotten. No one in TV is exactly like Les Moonves.

And that is why today, he basks.

"I thought I'd be here earlier, to tell you the truth," Mr. Moonves said. It was late in the afternoon of May 8, and he was sitting in his spacious 19th floor office at CBS's fabled 52nd Street headquarters, known as Black Rock. Basking day was still almost a week away. Mr. Moonves wore a navy suit and a canary yellow tie, and his hair and teeth looked, as usual, great.

He was responding to a question of whether CBS was where he thought it would be at this point, eight years into his run.

"To really build a schedule that is going to last, it took longer than I thought," he said. "A quick fix doesn't help you. You can't just get a hit and throw on 20 other shows like it. It's about one block at a time."

This was true and it wasn't. It was true in that CBS was in such decrepit shape when Mr. Moonves arrived in 1995 that the *Bill Cosby-Milton Berle-Jerry Seinfeld-Chris Rock Half-Hour Comedy Hour* probably couldn't have resuscitated it by itself. The CBS that Mr. Moonves inherited was the *Dr. Quinn, Medicine Woman* CBS, as old and undesirable as the butterscotch candies on grandmother's coffee table.

"CBS held on to that Tiffany mantra a little bit too long," Mr. Moonves said. "When I got here, it was in shambles."

But Mr. Moonves thought CBS had always played it too conservatively. He was willing to be lucky, too. He did raise shows from seed, the old-fashioned way, like he did with *Everybody Loves Raymond*, nurturing it in a Friday night time slot before gently shifting it to Mondays, where it blossomed. But he'd also been eager to take big-bopper home-run swings, like he did